Chapter 15.32

NONPRODUCING AND IDLE WELLS

(2491-7/81, 2708-12/84, 2901-7/87, 3037-5/90)

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- <u>15.32.010 Production Report--Filing Dates</u>. All well operators shall file with the Fire Department, during the first thirty (30) days of each quarter, for the last preceding calendar quarter, a statement in such form as the Fire Chief may designate, showing: (3037-5/90)
- (a) The amount of oil and gas produced from each well during the period indicated and the number of days during which fluid was produced from each well;
- (b) The number of wells drilling, reworking, producing, idle, and owned or operated by such person;
- (c) In lieu of the above, the operators may submit to the Fire Chief copies of State of California Division of Oil and Gas Form 110 report, as submitted to the State Division of Oil and Gas.
- (d) Owners or operators of all oil and/or natural gas wells, oil or natural gas storage facilities, or oil or natural gas transportation equipment shall be required to meter fluids produced or transported as ordered by the Fire Chief to verify production of wells under the jurisdiction of the City of Huntington Beach. (3037-5/90)
- (e) The Fire Chief may require any additional actions he determines necessary for verification of well production. (3037-5/90)
- <u>15.32.020 Production Report--Failure</u>. Failure to report production as required in this chapter shall constitute a misdemeanor punishable as set forth in Chapter 1.16 of the Huntington Beach Municipal Code. (2491-7/81)
- <u>15.32.030 Production Report--False</u>. Filing a false, fraudulent, or intentionally inaccurate report shall constitute a misdemeanor punishable by fine, imprisonment or both. (2491-7/81)
- 15.32.035 Production Standards. Any well which does not produce in any calendar quarter at lease ninety (90) barrels of crude oil or other hydrocarbon substances, or at least one hundred thousand cubic feet of natural gas, shall be declared "nonproducing". If such well fails to produce the required amounts for two (2) successive calendar quarters, it shall be declared idle. The following classifications of wells are EXEMPTED from these minimum production requirements:

- (1) Wells which are part of an identified and legitimate "enhanced recovery project"
- (2) Wells which are part of a city authorized consolidated recovery project
- (3) Wells utilized for the injection of fluids
- (4) Wells deemed by the Fire Department and the Division of Oil and Gas to be necessary to prevent the dangerous repressurization of a mineral field
- (5) Wells which, to the satisfaction of the Fire Chief, are demonstrated to have a legitimate future use as a part of an enhanced recovery project or consolidation project.

The Fire Chief may suspend minimum production requirements during periods of extremely low market prices for crude oil or natural gas. Wells will be exempt from production standards for each calendar quarter or portion thereof for the duration of such periods.

All wells which are exempted from production standards for any reason must be shown to be mechanically sound, patent, and operable.

<u>15.32.050 Idle Wells</u>. When a well is determined to be an "idle" well, the surface area of the well site shall be cleaned pursuant to the following: (3037-5/90)

- (a) Notice shall be sent by the Fire Chief, by registered or certified mail, to the owner of the fee simple interest in the land on which such well is situated as shown on the last equalized assessment roll, and to the owner of the mineral rights on which such well is situated as shown on the last equalized assessment roll, and to the operator of such well as indicated on either the records of the State Division of Oil and Gas, Department of Conservation or the records of the Fire Department. Once the notice is sent, the well or wells specified therein may not be activated unless the requirements of Chapter 15.40 of this code are adhered to and satisfied.
- (b) The notice shall indicate the name and location of the well in question and a statement by the Fire Chief of the reasons why such well is an idle well, as defined by section 15.32.040 of this code. (2491-7/81, 3037-5/90)

<u>15.32.060 Site Restoration--Procedure</u>. Within thirty (30) days after notice has been mailed, the parties to whom the notice has been sent shall clean and restore the drill site and surface in conformity with the following requirements:

- (a) The derrick and all appurtenant equipment thereto existing above the surface of the ground level shall be removed from the drill site;
- (b) The drilling and production equipment, tanks, towers and other surface installations shall be removed from the drill site or tank farm site;
- (c) All concrete, pipe (except tubing head), wood and other foreign materials existing above or on the surface of the ground level shall be removed from the drill site or tank farm site;
- (d) All oil, waste oil, refuse or waste material including debris, junk, trash and accumulated piles of miscellaneous material shall be removed from the drill site or tank farm site;
- (e) The rat hole and all holes, depressions, and sumps shall be cleaned out of all foreign material (except well cellar walls) regardless of depth and filled and packed with clean compactible soil;
- (f) All materials removed pursuant to the requirements set forth in this section shall be processed or disposed of in compliance with all City, County, State and Federal Regulations. (3037-5/90)

- (g) The wellhead shall be capped with a blind flange and a minimum of two (2) inch or larger steel bleeder valve shall be installed which can be locked in a closed position. (2491-7/81, 3037-5/90)
- **15.32.085 Abandonment.** The operator of any well that has been declared idle shall abandon said well within six months of receiving an order from the Fire Chief to abandon. (2708-12/84, 3037-5/90)
- 15.32.090 Abandonment Requirements--Development or Redevelopment. Prior to the release of any building or grading permits for the development or redevelopment of any property, all wells on the parcel shall be abandoned or reabandoned to current Division of Oil and Gas and City of Huntington Beach standards. Existing producing wells which will remain in service after the completion of the development or redevelopment of the property are exempted from these requirements. (3037-5/90)
- 15.32.100 Abandonment Procedures. The procedures set forth in Huntington Beach City Specification #422 shall be followed throughout the abandonment process. In addition to these requirements, the responsible party must file a "Notice of Intent to Abandon a Well" (Fire Department form FD-61) with the Fire Department for each well which is to be abandoned. Such notice shall contain the date the abandonment work will commence. Once all necessary permits and approvals have been obtained, abandonment work may commence on or subsequent to the date so stated. (3037-5/90)
- <u>15.32.110</u> Abandoned Well--Site Restoration Requirements. The abandonment of a well shall not be approved and accepted by the Fire Department until the site has been restored according to the following requirements: (3037-5/90)
- (a) The derrick and all appurtenant equipment shall be removed from the site. (3037-5/90)
- (b) All tanks, towers, and other surface installations shall be removed from the site. (3037-5/90)
- (c) All piping, debris, wood, concrete foundations and pads, trash, and other foreign materials shall be removed from the site. (3037-5/90)
- (d) All holes (including rat holes) shall be filled and compacted with earth. If the well is located in a single well cellar, or if the well is the last remaining well in a multiple well cellar, the cellar shall be removed. (3037-5/90)
- (e) The well site shall be graded and returned to as near a natural state as practicable. (3037-5/90)
- (f) All contaminated soils and materials within the site boundaries shall be removed and treated or disposed of in accordance with all local, County, State, and Federal regulations. (3037-5/90)
- **15.32.115 Site Restoration Time Limit.** All requirements listed in Section 15.32.110 must be completed within sixty (60) days of the completing of abandonment or reabandonment work on the well(s) on the site. (3037-5/90)
- 15.32.120 Location of New Construction. Whenever possible, new construction shall not be located within ten (10) feet of, or over, any abandoned well. If the property configuration cannot accommodate such location, development may be allowed provided that procedures set forth by the Fire Chief and in City Specification #422 are adhered to. Development or occupancy may be prohibited on any site deemed by the Fire Chief to be hazardous due to the condition of the well(s) within the property boundaries. (3037-5/90)